

The Pathways to Prosperity in the Americas initiative, launched on September 24, 2008 by the leaders from a dozen free trading nations in the Western Hemisphere, is dedicated to promoting economic prosperity across the Hemisphere.

Often, those who advocate free trade and open markets rely on data to explain how individuals everywhere reap the benefits of trade. According to data released by the World Bank, Pathways countries accounted for \$13.5 trillion worth of global gross domestic product in 2007, or about 34% of total global GDP.

For another example, look at the United States. In 2007, U.S. exports to the twelve nations currently participating in Pathways totaled nearly \$432 billion, representing 37 percent of all U.S. exports, while imports from these countries reached \$571 billion.



Pathways to Prosperity

Too often, though, the economic arguments for trade lose sight of how trade tangibly benefits individuals throughout the Americas. The child who enjoys a bowl of cereal and a banana in the morning; the workers who earn more because the company they work for exports to foreign countries; or the businessperson who enjoys a cup of coffee in the morning, have all benefited from open markets.

Each of these free trade agreements, whether in the first or 20th year, has led to economic growth, higher standards of living, poverty reduction and increased jobs, demonstrating by any measure the success of enormously complex and expanding trade relationships in this region.

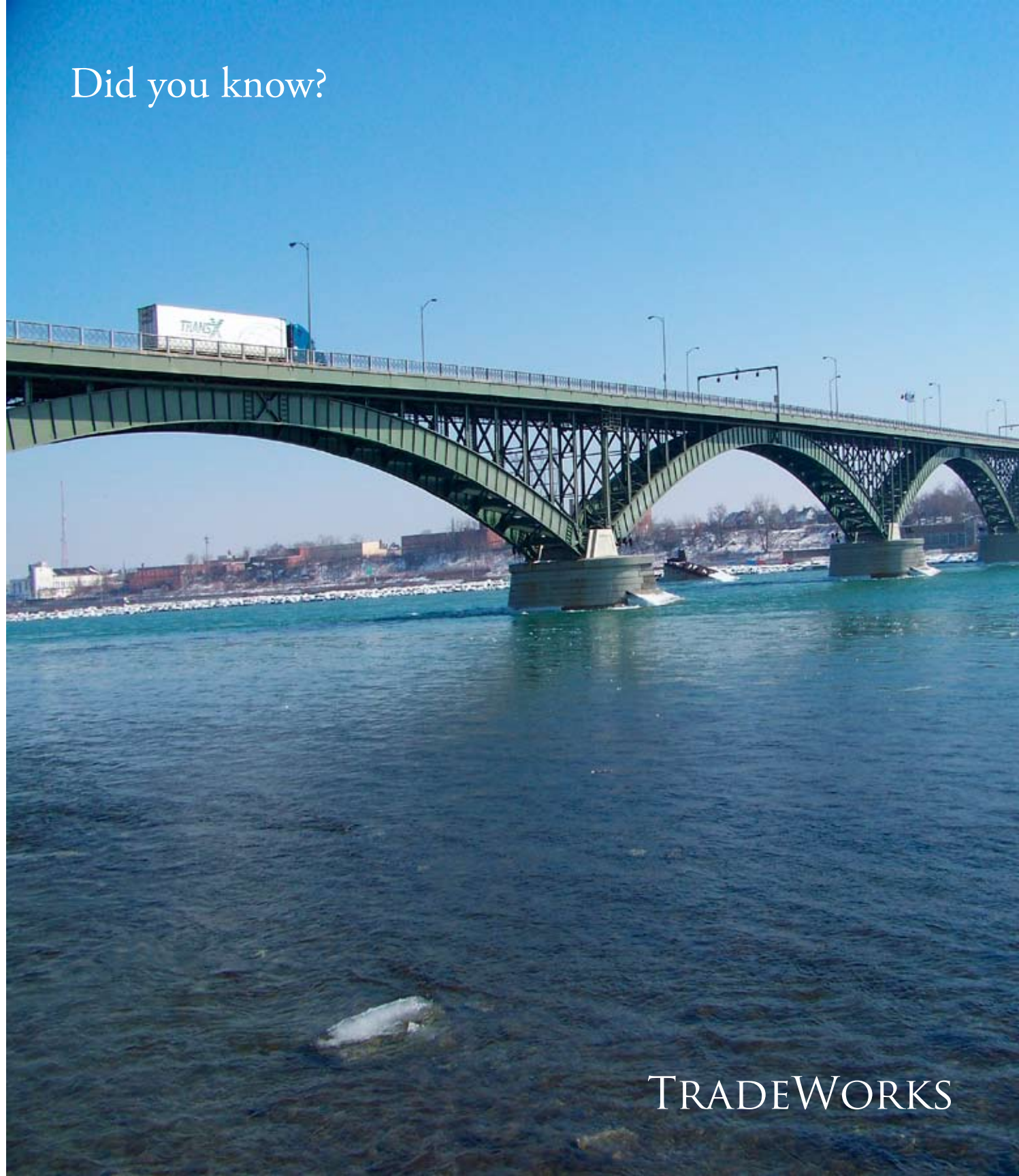
Looking beyond the data, how big are these trade relationships?



Pathways to Prosperity

Did you know?

The two-way trade between the U.S. and Canada over the Ambassador Bridge between Detroit and Windsor was greater than all American exports to Japan in 2007.



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Did you know?

More produce crosses the U.S. and Mexican border post at Nogales than any other border in the world, creating employment for the people loading and driving the almost 2,000 trucks which cross the border every single day, carrying over \$20 million of trade each day.


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Did you know?

In 2006, companies from the United States and Mexico did over \$40 million of business *per hour*. To put this in perspective, Mexico and the United States do as much business in goods and services in a just over a month as Mexico does with all twenty-seven countries of the European Union in a year.



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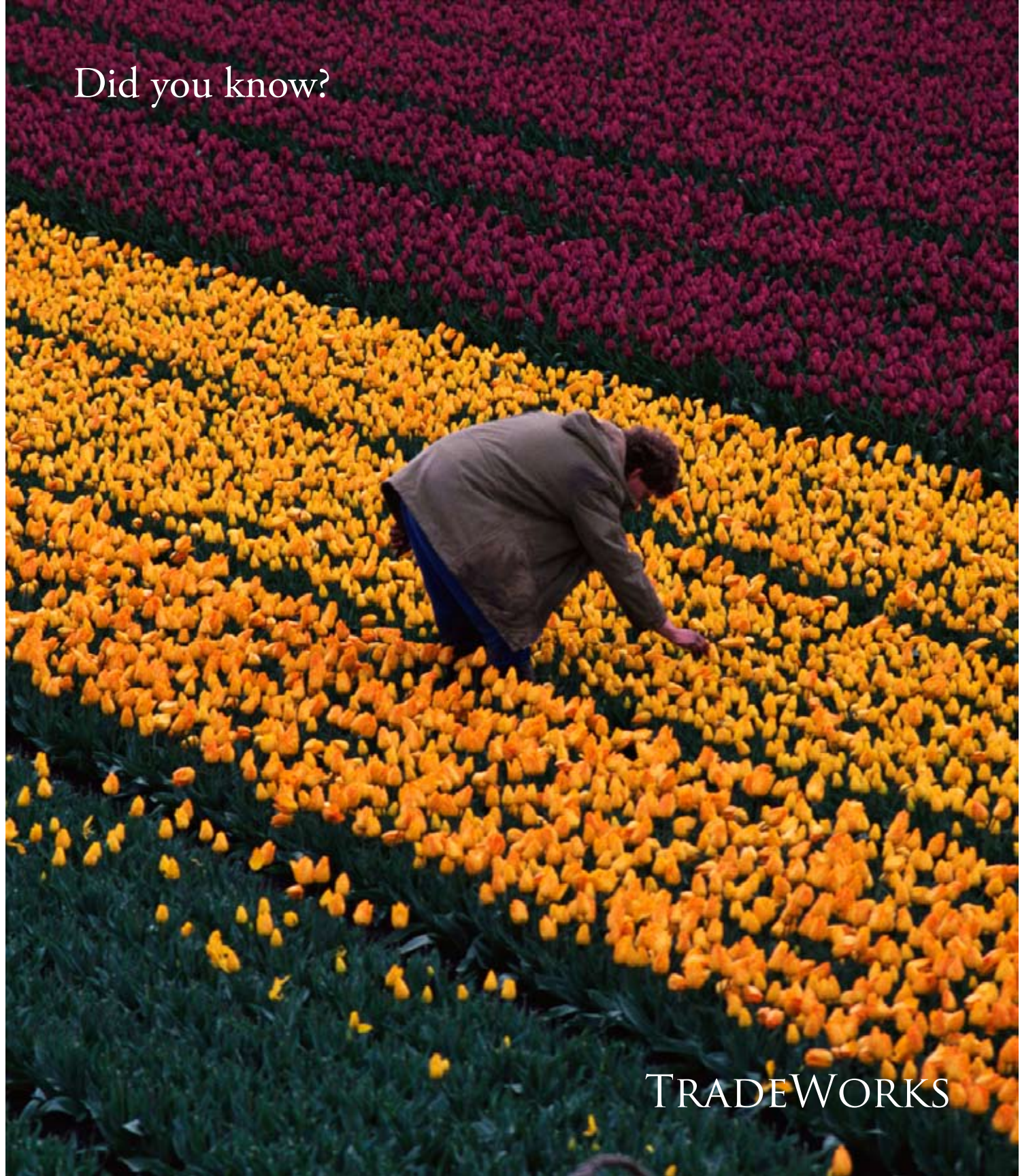
Did you know?

If the car in your garage or driveway was made in North America, it probably has parts that crossed borders at least six times during the assembly process.

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Did you know?

When was the last time you bought or received flowers? Did you know that they most likely grew in Colombia?



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Consumers Benefit

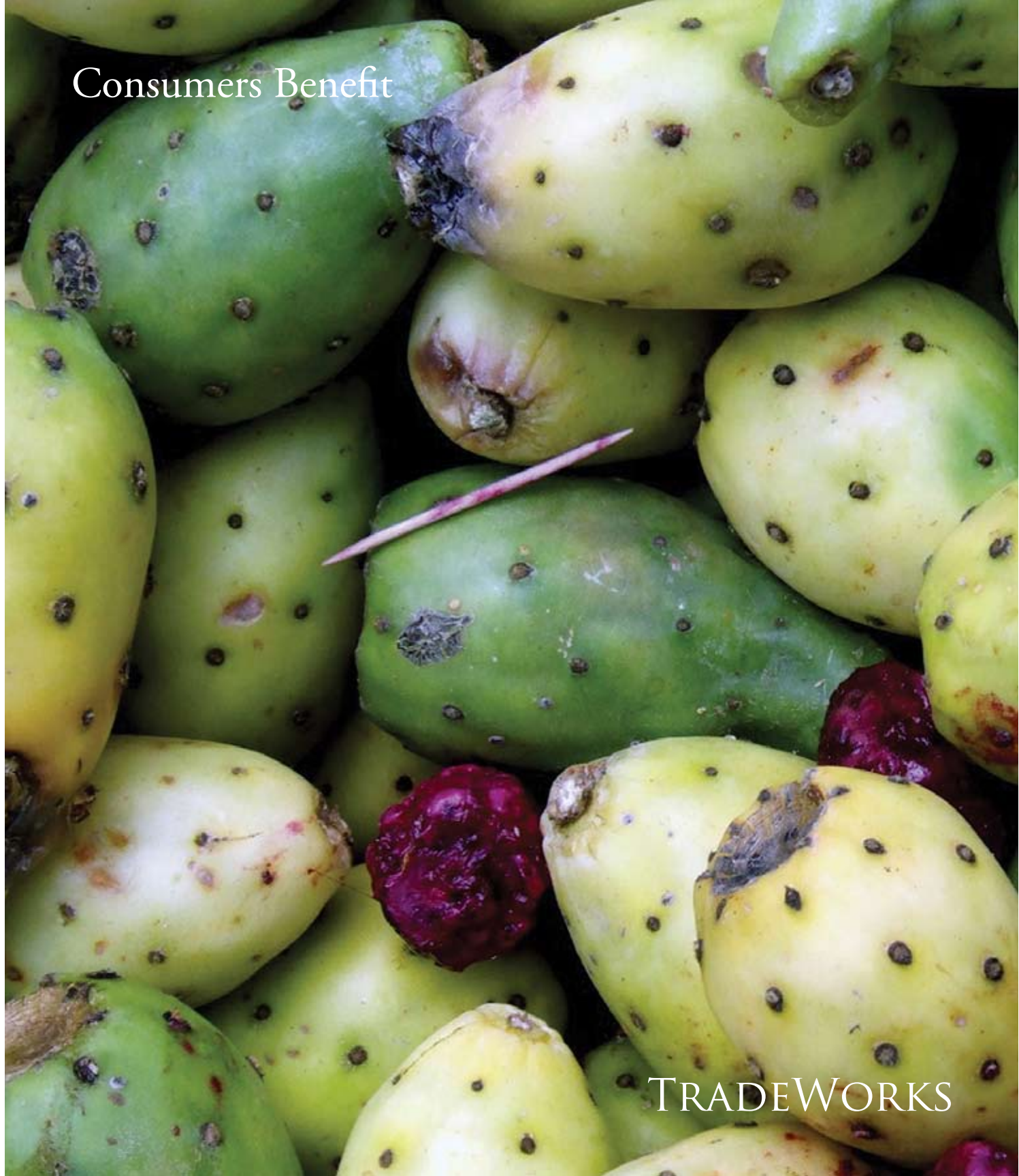


To show this, let us look at how someone in Chile, El Salvador, Canada or any of the twelve free trade partners participating in the Pathways initiative might go through their day.

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Consumers Benefit

Chances are that the food on their breakfast table—coffee, fruit, or cereal—has come from a free trade partner in the Western Hemisphere.



TRADEWORKS

Consumers Benefit

Trade in the Western Hemisphere has allowed consumers to enjoy fresh fruit throughout the year. Produce grown during the growing season in North America are exported south during the Southern Hemisphere's winter. When Latin America's growing season comes, Canada, Mexico, and the United States enjoy fresh fruits and vegetables from the south, tariff free, even during the depths of winter.. Latin America and the Caribbean exported over \$6 billion in agricultural products to the U.S. in 2007.

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Consumers Benefit

Chances are the refrigerator storing that food or heating that food has come from another country in the hemisphere as well.

And the chances are even greater that the machines used to produce, process, and distribute that food were made in the United States and sold in its FTA partner countries duty free.



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Consumers Benefit

In northern Mexico, small food processing companies are developing new products and marketing strategies to supply the expanding ethnic foods market in the United States.

Trade agreement guidelines, as well as the need to meet competitive standards, ensure high food quality. Consumers can be confident the food has been tested and that food processing meets high health standards

Consumers Benefit

Because of trade agreements, many medicines cross borders at lower costs. Trade agreements also encourage pharmaceutical companies to innovate by providing strong intellectual property protections and quality controls that keep their products and production processes safe



TRADEWORKS

A construction worker wearing a yellow hard hat with an 'ACF' logo, safety glasses, and an orange safety vest is working on a large, dark metal structure. He is wearing white work gloves and is pulling on a thick steel cable. The background shows a construction site with yellow scaffolding and a chain-link fence under a clear blue sky.

Workers Benefit

Each of those processes supports hundreds of thousands of jobs created by free trade.

TRADEWORKS

Workers Benefit

U.S. companies exported over \$44 billion in various types of machinery and transportation equipment to Latin America and the Caribbean and over \$180 billion to Canada and Mexico, sustaining vital manufacturing jobs in the United States. Agricultural and construction machinery is one of the top U.S. manufactured exports to both Latin American and Canada. These countries benefit from having access to high quality and affordable machinery, which they can use to produce export goods for sale in the United States.



TRADEWORKS



Workers Benefit

Across our partner nations, companies that are export oriented have witnessed higher rates of job growth than their counterparts, and tend to have higher pay than nontrade- related jobs. Since the passage of NAFTA, Caterpillar's U.S. employment has grown by 33 percent, and has made comparable increases in its Canada and Mexico facilities, adding 700 and 8,000 new jobs, respectively, over the same time period.



TRADEWORKS

Workers Benefit

In the three countries of North America, one out of every five (?) manufacturing workers is involved in a company which earns through exports. In Chile, it is; in Guatemala it is one out of??



Workers Benefit



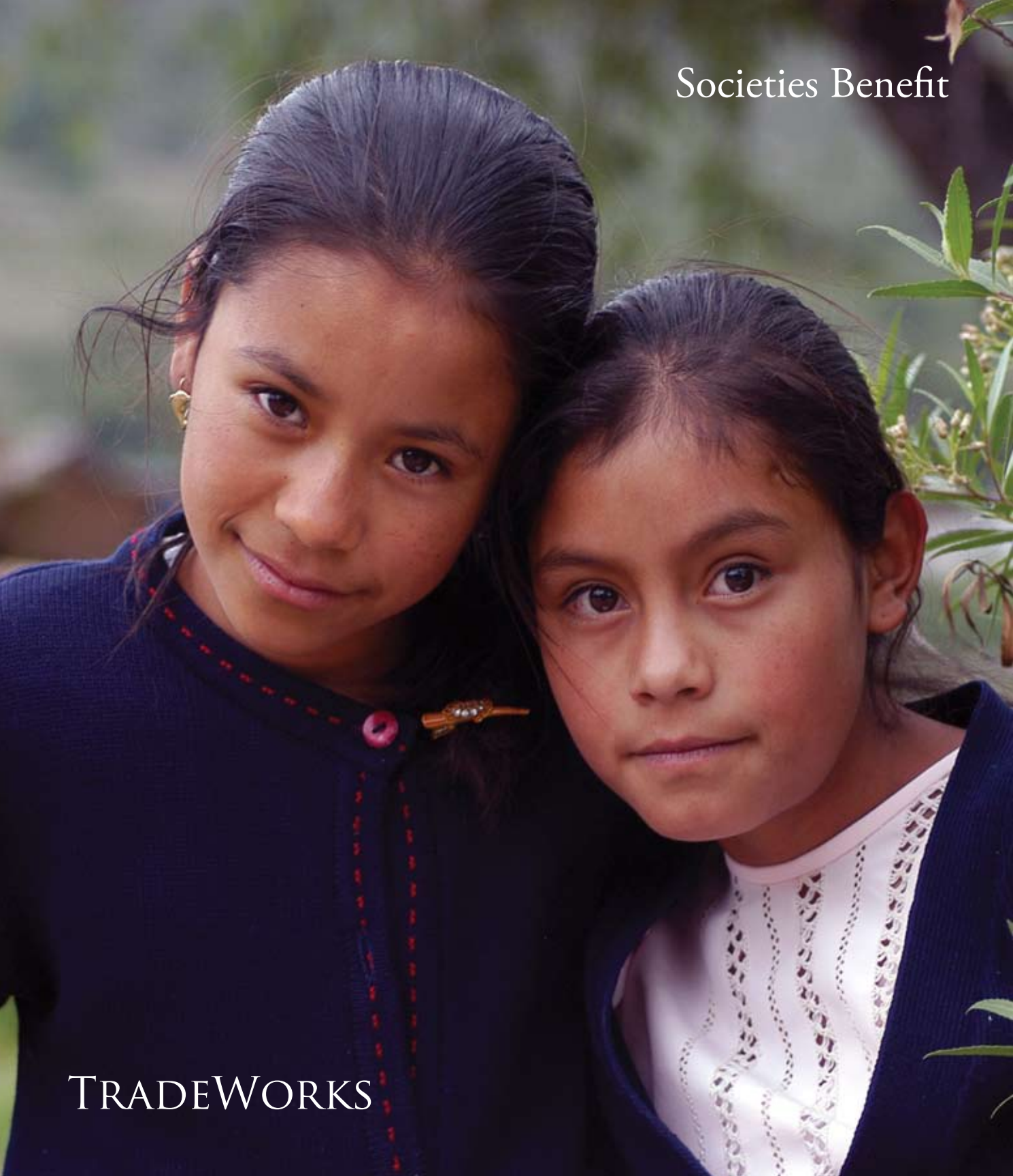
Latin America and the Caribbean exported over \$65 billion of fossil fuels and over \$7 billion in apparel products, many of which were made using machinery imported from the United States.

TRADEWORKS

Workers Benefit

Canada exported \$60 billion in motor vehicles to the U.S. in 2007. Many of these vehicles use engine and body parts that were manufactured here in the U.S., and relied on U.S. labor at various points in the assembly process.

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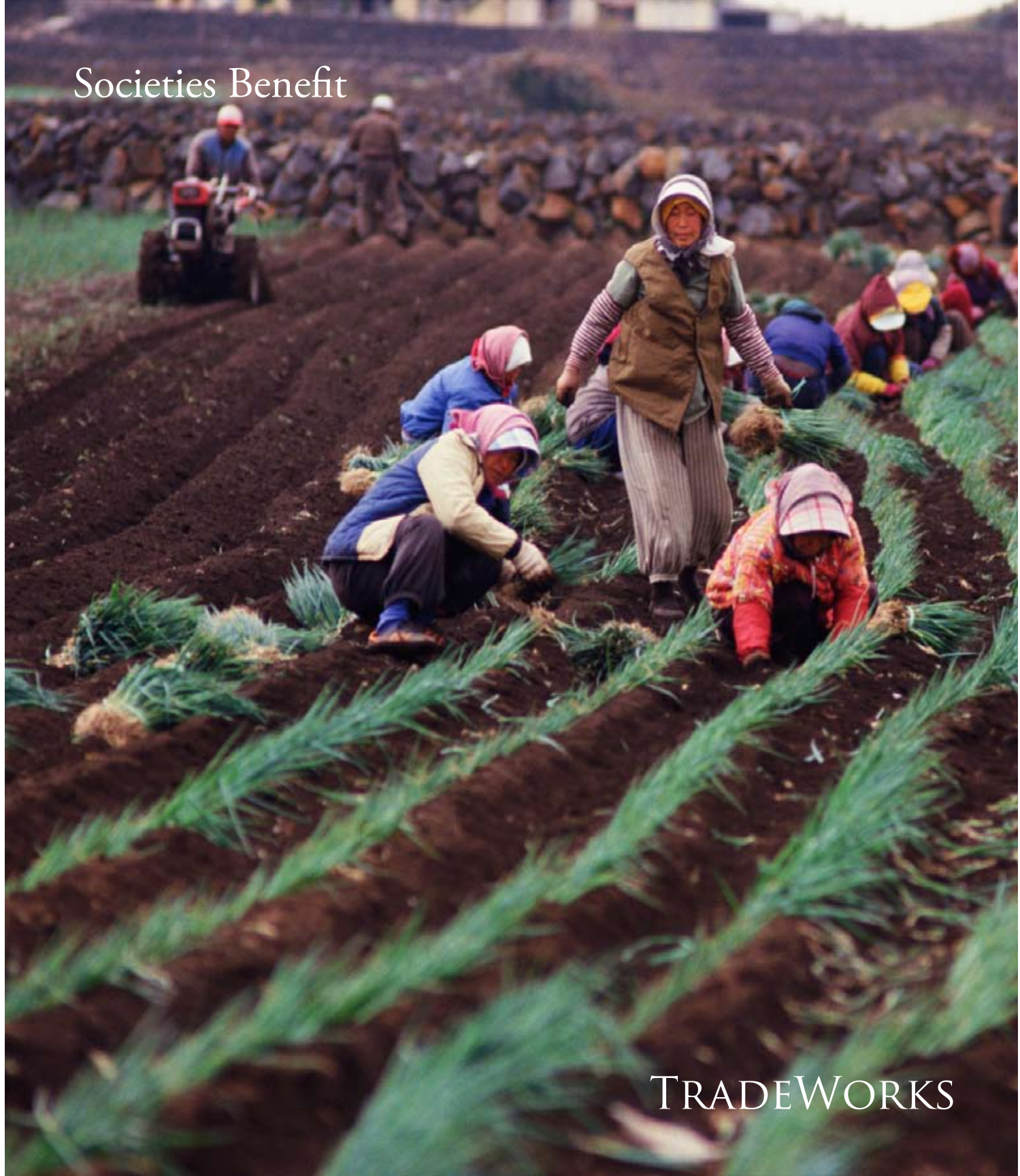
Societies Benefit

Let's look beyond the statistics at some success stories that come directly from the individuals and corporations that thrive due to free trade.

TRADEWORKS

Societies Benefit

Indigenous farmers in the highlands of Guatemala, most with less than an acre of land, are producing high-quality, high value-added produce for markets in the United States and El Salvador. Guatemala has become the world's largest exporter of green beans, and farm families are benefiting from the higher incomes and expanded employment opportunities generated by exports. As a result of the higher incomes generated by open markets for Guatemalan farmers, and others like them throughout the Western Hemisphere, more families are able to keep their children in school and improve their nutritional status.



TRADEWORKS

Societies Benefit

At one large agricultural cooperative for indigenous farmers, workers at packing houses earn incomes above the minimum wage for agricultural workers, and enjoy benefits including medical and dental care for themselves and their families, and literacy courses. Coop members and workers also have access to computer labs and scholarships to university.

Trade agreements like the Central American – Dominican Republic Free Trade Agreement (CAFTA-DR) fund programs to help business owners and the self-employed take advantage of trade. In El Salvador, Sra. Guevara has been working for the past 42 years making and selling artisan crafts. Until 5 years ago, she would sell 16 piece pottery sets for 3 colones, an amount that usually took her 2 days to earn. Thanks to a CAFTA program designed to provide low interest loans to entrepreneurs, Sra. Guevara was able to expand and diversify her production, and hire 5 employees at her shop. She now fills individual orders of up to \$2,000 - \$3,000 for customers in Guatemala, Nicaragua, Panama, the United States, and Europe.



TRADEWORKS

Societies Benefit

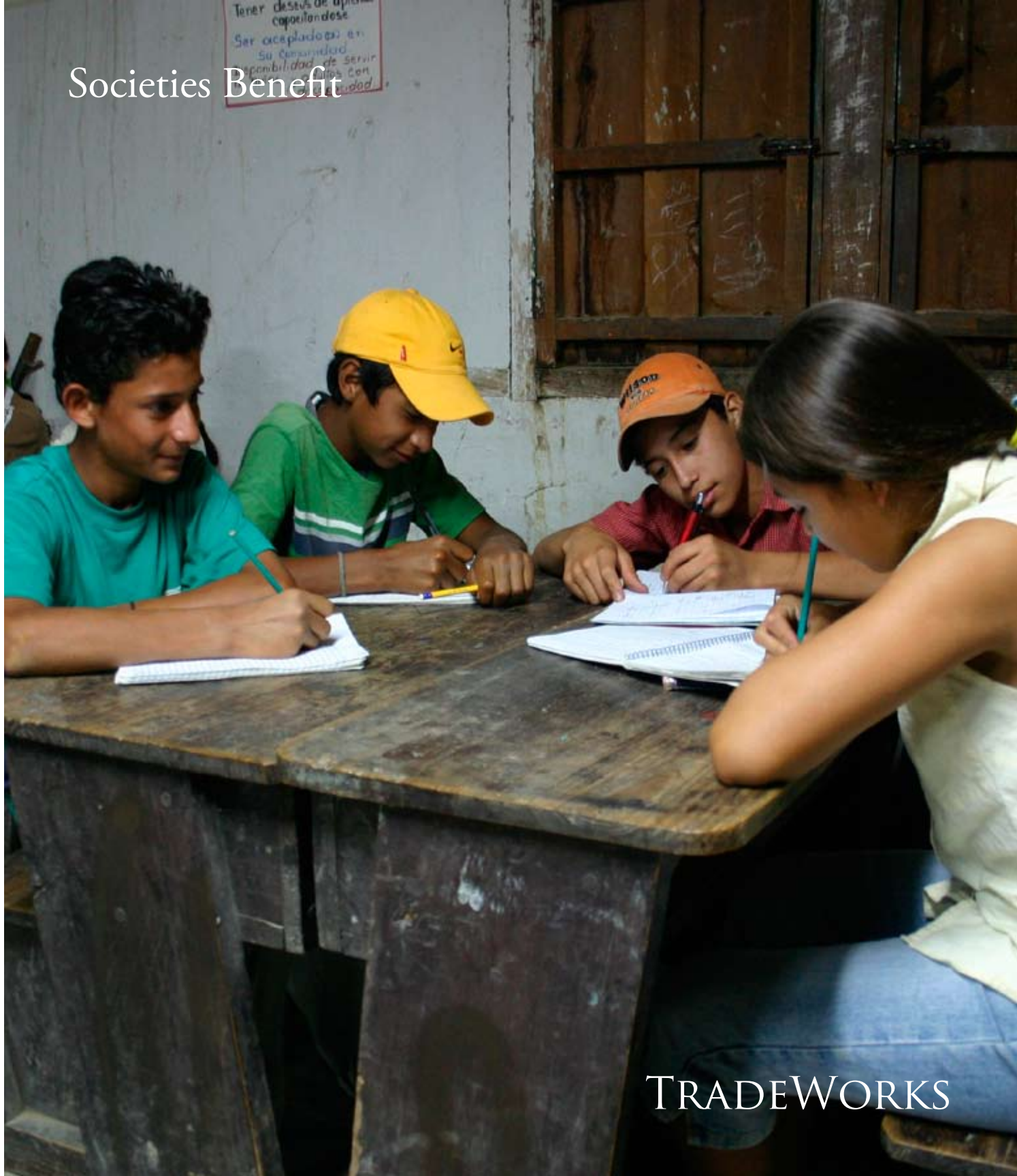


The expansion of trade throughout the region has spurred the growth and efficiency of international express courier services, creating new opportunities for employment and upward professional mobility for workers and managers. The managing director of one large courier facility in Mexico began her career in the company's call center, and has worked her way up to the executive suite.

TRADEWORKS

Societies Benefit

Increased export opportunities have helped factories in Colombia become socially responsible companies by investing their profits in their employees. A major distributor of textile products in Medellin provides its employees with educational and healthcare benefits, and even offers to help pay for half of a new home!



TRADEWORKS

A woman with dark hair, wearing a pink knitted hat and a white shirt with large red and purple floral patterns, is focused on weaving. She is seated and working on a large, traditional wooden loom. The loom is strung with many threads, and a large spool of white thread is visible. The background shows a rustic wooden structure and some outdoor elements like rocks and plants.

Societies Benefit

An innovative and successful handicraft company in Bogota is selling its products to major distributors throughout the United States. Its products are made by war victims, former guerrillas, former paramilitaries and handicapped individuals who have been rehabilitated and given job training. These people are being provided with the opportunity to learn valuable skills to avoid the temptations of the illicit economy.

TRADEWORKS

Societies Benefit

The Workers and Campesinos Union in northern Mexico runs an institute for technological training for its members and their children, to prepare them to compete in the international high tech economy.



TRADEWORKS

A young girl with dark hair, wearing a pink and white striped shirt, is sitting at a wooden desk in a classroom. She is looking towards the camera. The desk is cluttered with various colorful supplies, including pens, pencils, and markers. In the background, there are shelves filled with more supplies and a blue wall. The overall scene is brightly lit and colorful.

Workers Benefit

In Guatemala, Starbucks entered into a contract to ensure local coffee producers receive most of what the company pays for their product, rather than an unproportional amount paid to export agents. Starbucks was named a finalist for the 2008 Secretary of State's Award for Corporate Excellence for its support for health and education programs. This student is surrounded by her school's new supplies that came from an initiative supported by Starbucks.

Societies Benefit

Trade agreements in the Western Hemisphere have encouraged countries to provide enforceable labor standards, environmental protections, and intellectual property rights. The recently negotiated trade agreements between the U.S. and Peru, the U.S. and Colombia, and the U.S. and Panama contain the most robust labor and environmental standards ever included in a trade agreement. By committing countries to the rule of law and other important reforms, trade agreements serve to ensure that the benefits of trade are broadly shared throughout our societies.



TRADEWORKS

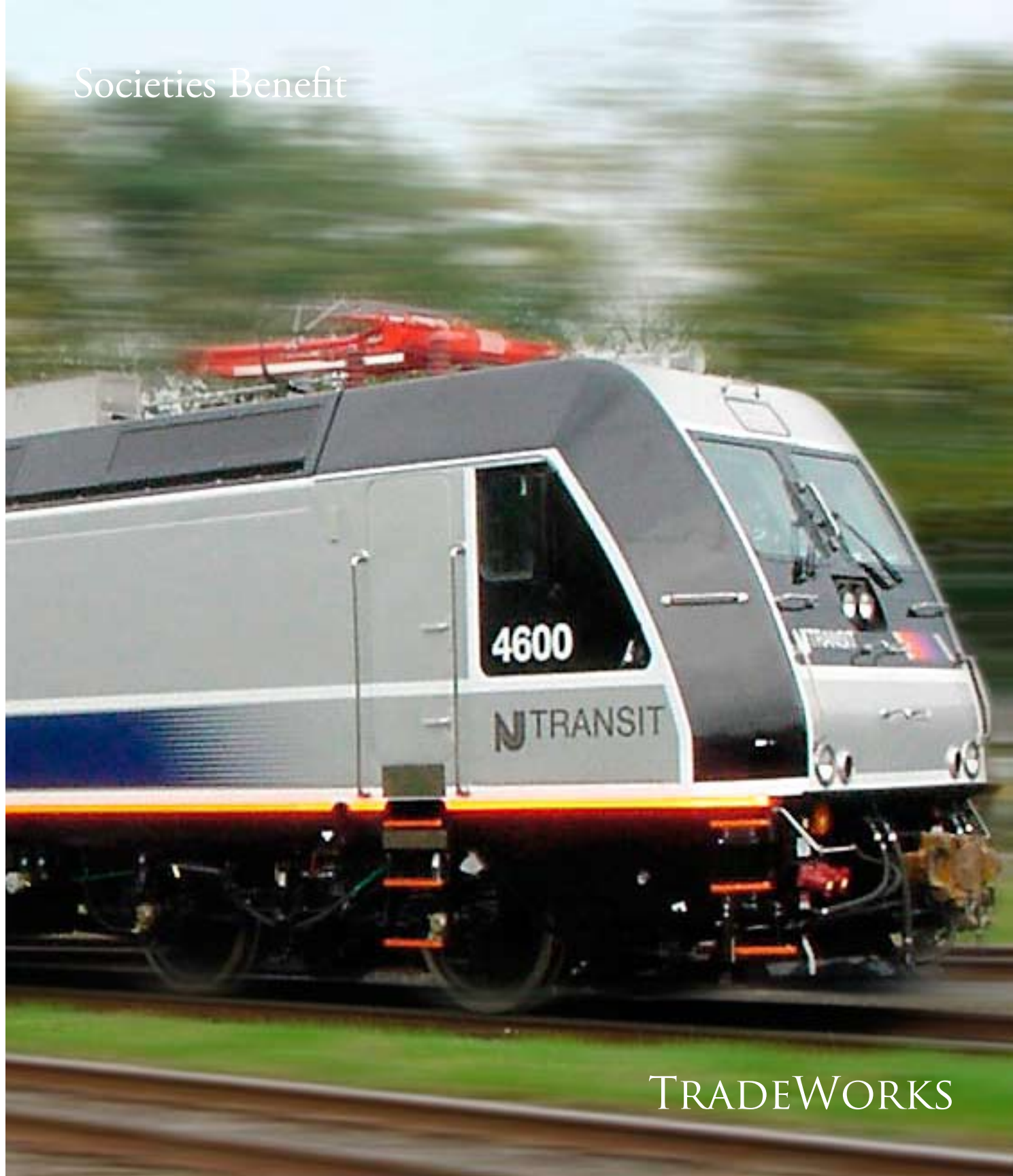


Societies Benefit

Think about the effect that (CAFTA-DR, U.S. – Chile Agreement, others?) has had on inflation in the participating countries. (Do we have data showing a decline in annual inflation growth?)

Societies Benefit

The North American Free Trade Agreement (NAFTA) is a good example of how societies benefit from free trade agreements. NAFTA has helped Canada, Mexico, and the United States to improve sectors like mass transportation by increasing efficiency and reducing environmental impact. The Bombardier Corporation, a multinational corporation based in Canada, produces trains that are currently used in 60 countries around the globe. Bombardier pioneered the world's first hybrid train, adding fuel efficiency to an already eco-friendly mode of transportation.



TRADEWORKS

A photograph of a man standing in a vineyard. The man is wearing a light-colored short-sleeved shirt and blue jeans. He is standing in the middle of a row of grapevines, with his left hand resting on a vine. The vineyard is set on a hillside, and the rows of grapevines stretch into the distance. The vines are covered in green leaves and small yellow flowers. The background is a lush green landscape.

Societies Benefit

Trade agreements in the Western Hemisphere contain some of the most progressive environmental provisions in the world. A great example is the U.S.–Chile Environmental Cooperation Program, an initiative with origins in the U.S.–Chile Free Trade Agreement. The program provides exchanges of experts to share knowledge and best practices concerning protected area management, planning and operations for the goals promoting biodiversity conservation, and sustainable management of natural resources.

Societies Benefit

Through 2010, various U.S. agencies will work with CAFTA-DR countries to improve enforcement of their environmental laws. Work will focus on conducting environmental inspections, providing technical assistance to wastewater analytical laboratories, and training prosecutors, customs officials, investigators, judges, and other law enforcement officers.



TRADEWORKS

A young boy with short brown hair, wearing a red and white striped shirt, is drinking water from a public tap. He is holding his hands under the running water. The background is slightly blurred, showing other people and a rustic setting.

Societies Benefit

Each CAFTA-DR country has goals to increase the amount of domestic wastewater that will be treated by 2015. For example, El Salvador currently treats about 3 percent of its wastewater. It plans to increase treatment to 49 percent over the next seven years.

Societies Benefit

In Guatemala, cooperatives help small growers meet phyto-sanitary and food safety requirements, and to meet U.S. retailers' higher quality requirements. Labs at the four packing houses test for pathogens and chemical residue from fertilizer and insecticides.



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